

12C.17 Deposit of securities.

1. A credit union which receives public funds shall pledge securities owned by it as required by this chapter in one of the following methods:

a. The securities shall be deposited with the county, city, or other public officers at the option of the officers.

b. The securities shall be deposited pursuant to a bailment agreement with a financial institution having facilities for the safekeeping of securities and doing business in the state. A financial institution which receives securities for safekeeping is liable to the public officer to whom the securities are pledged for any loss suffered by the public officer if the financial institution relinquishes custody of the securities contrary to the provisions of this chapter or the instrument governing the pledge of the securities.

c. The securities shall be deposited with the federal reserve bank, the federal home loan bank of Des Moines, Iowa, or the United States central credit union, a corporate central credit union organized under section 533.213, or a corporate credit union whose activities are subject to regulation by the national credit union administration pursuant to a bailment agreement or a pledge custody agreement.

d. The securities may be deposited by any combination of methods specified in paragraphs "a", "b", and "c".

2. A deposit of securities shall not be made in a facility owned or controlled directly or indirectly by the financial institution which deposits the securities.

3. All deposits of securities, other than deposits of securities with the appropriate public officer, shall have a joint custody receipt taken for the securities with one copy delivered to the public officer and one copy delivered to the credit union. A credit union pledging securities with a public officer may cause the securities to be examined in the officer's office to show the securities are placed with the officer as collateral security and are not transferable except upon the conditions provided in this chapter.

4. Upon written request from the appropriate public officer but not less than monthly, the federal reserve bank, the federal home loan bank of Des Moines, Iowa, the United States central credit union, a corporate central credit union organized under section 533.213, or a corporate credit union whose activities are subject to regulation by the national credit union administration shall report a description, the par value, and the market value of any pledged collateral by a credit union.

84 Acts, ch 1230, §21

C85, §453.17

85 Acts, ch 194, §4; 92 Acts, ch 1156, §31 – 33

C93, §12C.17

99 Acts, ch 117, §8, 15; 2006 Acts, ch 1040, §2, 3; 2007 Acts, ch 174, §79, 80; 2008 Acts, ch 1191, §28, 29

Referred to in §12C.1